



A viable blueprint for action

By Sen. Judd Gregg (R-N.H.) - 12/07/10 06:10 PM ET

The president's National Commission on Fiscal Responsibility and Reform held its final meeting last week, wrapping up 10 months of information gathering and debate over the fiscal future of our country.

That deliberative process yielded a plan to bring under control federal spending, the deficit and the debt. It is not a perfect plan, but it is a first step.

It does not reduce the debt enough, and it lacks significant healthcare savings. It does contain certain strengths. It limits annual appropriations by reducing such spending to 2008 levels by 2013. Instead of containing a tax increase as many naysayers feared, the plan proposes streamlining our byzantine tax code to make it more productive and also lowering individual and corporate tax rates to spur the economic growth we urgently need. It makes Social Security solvent for 75 years.

The plan did not garner the 14 "votes" needed to send it to Congress, but it was a successful effort nonetheless. Eleven of the 18 commission members, more than 60 percent of the group, threw their support behind the plan as a good way to start doing something, instead of continuing to do nothing.

The importance of this bipartisan support cannot be underestimated. The commission members who supported the plan symbolize diversity on the political spectrum. On the Senate side, Democratic Sens. Kent Conrad (D-N.D.) and Dick Durbin (D-Ill.) came together with Republican Sens. Tom Coburn (R-Okla.), Mike Crapo (R-Idaho) and myself to back a plan that represents the compromises both political parties will have to make in order to change our current course.

Those who supported the plan did so for one simple reason — the United States is on a reckless and unsustainable path that will lead to an unimaginable fiscal crisis unless action is taken in the next few years. There can be no denying that our situation is very serious.

The federal government's total debt stands at a staggering \$13.8 trillion, which is \$3.2 trillion more than it was in January 2009. Because we are spending much more than we can afford, huge deficits will become the norm, averaging \$1 trillion annually for the next 10 years. As a result, our debt will triple before the end of the decade.

Entitlement programs are in serious trouble. Even under the most optimistic projections we will not have enough money to continue to pay for Medicare, Medicaid and Social Security as they are currently structured. Together they represent the bulk of our nation's

\$81 trillion in unfunded liabilities, which translates to a \$705,000 burden on every American household.

Rising healthcare costs represent another crisis. Healthcare spending in the U.S. consumes 17.3 percent of GDP, the largest of any industrialized nation, and is projected to hit nearly 20 percent of GDP by 2019. The new healthcare entitlement program enacted this year will cost \$2.6 trillion once fully implemented (FY 2014-2023).

Left unaddressed, our dangerous economic situation will only worsen. We should begin to take action now in an orderly fashion, because when the crisis hits, solutions will only be more painful for all Americans. To disregard the facts does a tremendous disservice to all Americans, especially those in the next generation who will bear the brunt of our excesses.

As a member of the bipartisan commission and co-author of the original Conrad-Gregg Bipartisan Fiscal Task Force legislation upon which it is based, I hope the commission's plan will serve as a template for governance. It can be the guiding memo for action by the next Congress.

Members of Congress were elected to govern, and our job description includes putting politics aside to do what is best for the country. We are facing a fiscal crisis that requires strong leadership and willingness to compromise. This is not a Democratic problem or a Republican problem, but an American problem. Unaddressed, it will crush the future of our nation and our children. The Fiscal Commission spent 10 months devising a blueprint for action. It is up to the 112th Congress to put it to good use.

Sen. Gregg is the ranking member of the Budget Committee.